



# RULE-MAKING ORDER

**CR-103 (June 2004)**  
**(Implements RCW 34.05.360)**

**Agency:** Department of Revenue

- ☐ Permanent Rule  
☒ Emergency Rule

**Effective date of rule:**

**Permanent Rules**

- ☐ 31 days after filing.  
☐ Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Effective date of rule:**

**Emergency Rules**

- ☒ Immediately upon filing.  
☐ Later (specify) \_\_\_\_\_

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

- ☒ Yes ☐ No If Yes, explain: Emergency rule findings are required; see below.

**Purpose:** WAC 458-20-102 *Resale Certificates* (Rule 102) currently explains that a resale certificate provided for multiple purchases over a period must be renewed every four years. The Department is amending Rule 102 to recognize that the requirement to renew a resale certificate every four years no longer applies. As of July 1, 2008, a resale certificate continues as long as the buyer has a "recurring business relationship" with the seller, which is defined by law as making at least one purchase from the seller within a period of 12 consecutive months.

While there is no longer a requirement to renew a resale certificate if the seller can substantiate that a recurring business relationship exists, the rule also explains that it will accept a resale certificate as evidence for wholesale sales that occur within four years of the certificate's effective date without evidence of sales transactions being made once every twelve months. Some language in the existing rule has been relocated within the rule to provide the information in a more useful manner, or eliminated as unnecessary. The sample resale certificate has been eliminated and the reader is referred to telephone information center, and mailing address for a certificate to be completed.

The Department is amending Rule 102 on an emergency basis at this time because the law change became effective July 1<sup>st</sup>. The Department has also proposed an amendment to the permanent Rule 102, filed as WSR 08-16-040.

**Citation of existing rules affected by this order:**

Amended: WAC 458-20-102 Resale certificates

**Statutory authority for adoption:** RCW 82.32.300, 82.32.291, and 82.01.060(2)

**Other authority :**

**PERMANENT RULE ONLY (Including Expedited Rule Making)**

Adopted under notice filed as WSR \_\_\_\_\_ on \_\_\_\_\_ (date).

Describe any changes other than editing from proposed to adopted version:

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting: **A cost-benefit analysis was not prepared.**

**EMERGENCY RULE ONLY**

Under RCW 34.05.350 the agency for good cause finds:

- ☒ That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.  
☐ That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding: **An emergency adoption of Rule 102 is necessary because a permanent rule can not be adopted at this time. This rule action will provide needed instructions on resale certificates that became effective July 1, 2008, to taxpayers and department staff.**

**Date adopted:** 7/29/2008

**NAME**

Alan R. Lynn

**SIGNATURE**

**TITLE** Rules Coordinator

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE:** July 29, 2008  
**TIME:** 3:27 PM

**WSR 08-16-046**

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	_____	Amended	_____	Repealed	_____
<b>Federal rules or standards:</b>	New	_____	Amended	_____	Repealed	_____
<b>Recently enacted state statutes:</b>	New	_____	Amended	<u>1</u>	Repealed	_____

**The number of sections adopted at the request of a nongovernmental entity:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted in the agency's own initiative:**

New	_____	Amended	<u>1</u>	Repealed	_____
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Pilot rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Other alternative rule making:</b>	New	_____	Amended	<u>1</u>	Repealed	_____